

Decision **DRAFT DECISION OF ALJ JONES** (Mailed 6/2/2003)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Roseville Telephone Company
(U 1015 C) to Review Extended Area Service
Compensation and Establish Replacement
Revenue Funding.

Application 99-08-043
(Filed August 20, 1999)

FINAL DECISION

Decision (D.) 00-11-039 authorized Pacific Bell to terminate its annual Extended Area Service (EAS)¹ payment of \$11.5 million to Roseville Telephone Company (Roseville) and denied Roseville's proposal that the EAS revenue be recovered on a permanent basis from the California High Cost Fund-A (CHCF-A) or CHCF-B. The assigned Administrative Law Judge was ordered to prepare an Order Instituting Investigation (OII) to review Roseville's revenue requirement to determine whether recovery of the \$11.5 million should come from Roseville's shareholders or from its ratepayers.² D.00-11-039 closed proceeding A.99-08-043.

On May 4, 2001, Roseville filed a Petition for Modification/Clarification to allow use of the CHCF-B as a permanent means of revenue recovery for

¹ EAS is a telephone service authorized in designated communities to extend the geographic reach of a local toll-free calling area.

² I.01-04-026 was initiated in April 2001 to examine the issue of a permanent source for recovery for the \$11.5 million.

Roseville. The Commission denied Roseville's request in D.02-05-009. The proceeding was reopened when Roseville filed its Petition, and D.02-05-009 did not close the proceeding.

However, D.02-05-009 resolved all outstanding issues in the proceeding. Further issues relating to permanent recovery of the \$11.5 million are being addressed in I.01-04-026. Therefore, this proceeding should be closed.

Comments on Draft Decision

The draft decision of the ALJ in this matter was mailed to the parties in accordance with Section 311(g)(1) of the Public Utilities Code and Rule 77.7 of the Rules of Practice and Procedure. Comments were filed on June 23, 2003. We have reviewed the comments and taken them into account as appropriate in finalizing this order.

Assignment of Proceeding

Carl W. Wood is the Assigned Commissioner and Karen Jones is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. D.02-05-009 resolved all outstanding issues in A.99-08-043.
2. I.01-04-026 was initiated to examine issues relating to permanent recovery of the \$11.5 million.

Conclusion of Law

Since all outstanding issues have been resolved, A.99-08-043 should be closed.

FINAL ORDER

IT IS ORDERED that Application 99-08-043 shall be closed.

This order is effective today.

Dated _____, at San Francisco, California.